IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.440 OF 2006 WITH C.A.NO.603 OF 2006
WITH
COMPANY PETITION NO.441 OF 2006 WITH C.A.NO.604 OF 2006
COMPANY PETITION NO.442 OF 2006 WITH C.A.NO.605 OF 2006
COMPANY PETITION NO.443 OF 2006 WITH C.A.NO.606 OF 2006

Sidhaant Velvets Private Ltd.
Zarnna Spinners Private Ltd.
Prerna Textile Industries Pvt. Ltd.
Chandni Textiles Ltd.
....Petitioners.

Mr.Rajesh Shah i/by Rajesh Shah & Co. for the Petitioners.

Ms. K.V.Gautam, Dy. O.L. present.

Mr.C.J. Joy with R.C.Master i/by S.S. Sarkar & Co. for Regional Director.

CORAM : R.S. MOHITE, J.
DATED : 01/9/2006.

P.C.

1. Company Petition No.440 of 2006 is filed by Sidhaant Velvets Private Ltd., Company Petition No.441 of 2006 is filed by Zarnna Spinners Pvt. Ltd., Company Petition No.442 of 2006 is filed by Prerna Textile Industries Pvt. Ltd. All these three Companies are transferor companies who seek sanction of this court for a scheme of amalgamation with Chandani Textiles Ltd. which is the transferee Company. The transferee Company has filed Company Petition No.443 of 2006.

2. These petitions seek sanction of a scheme under Section 391 and 394 of the Companies Act. The Scheme of Amalgamation is annexed at Exh."I" to Company Petition No.440 of 2006.

3. On behalf of the petitioners, it is submitted that all the statutory requirements have been compiled with. The scheme was advertised but no objections have been received from the share holders or the creditors. The record indicates that the copies of the petitions have been served upon the Regional Director who has obtained a report from the Registrar of Companies and filed his affidavit dated 23.8.2006 certifying that he finds scheme is not prejudicial to the interest of the creditors, shareholders and public. The copies of the petitions filed by the transferor companies were also served upon the Official Liquidator and the Official Liquidator has filed his report dated 30.8.2006 stating that the accounts of the transferor companies have been perused with the aid of the Chartered Accountant and his report indicates that two of the transferor companies M/s. Prerna Textile industries Industries Pvt. Ltd. and M/s. Zarnna Spinners Private have written off certain debts as mentioned in the Chartered Accountant’s report. The Chartered Accountant however has given opinion that the amounts were written off in the normal

course of the business. In view of the Chartered Accountant's report and the Audit report, Official Liquidator submitted that the affairs of the three transferor companies have not been conducted in a manner prejudicial to the interest of the members or to public interest.

4. In view of the aforesaid circumstances, I find no reason not to allow these petitions. Company Petition No.440 of 2006 and Company Petition No.441 of 2006 are therefore, allowed in terms of prayer clause (a) to (j) while Company Petition No.442 of 2006 and Company Petition No.443 of 2006 are allowed in terms of prayer clause (a) to (i).

5. Each of the petitioners shall pay costs of Rs.2500/- to the Regional Director. In addition, the petitioners in Company Petition No.440/2006, 441/2006 and 442/2006 shall pay costs of Rs.2500/- each to the Official Liquidator. Costs to be paid as aforesaid within three weeks from today.

6. Parties to act on a copy of this order duly certified by the Company Registrar. Making up of a drawn up order is dispensed with. All the aforesaid petitions stand disposed off.

(R. S.MOHITE, J.)